



STATE OF CONNECTICUT
STATE TEACHERS' RETIREMENT BOARD
21 GRAND STREET HARTFORD, CT 06106-1500
In CT 1-800-504-1102 (860) 241-8429 Fax (860) 525-6018
www.state.ct.us/trb

To: Superintendents of Schools and School Business Officials

From: John W. Coughlin, Jr., Accounting Manager

Date: May 4, 2001

Subject EFT Instructions

During the 1999 – 2000 session of the General Assembly, the Legislature passed legislation concerning the remittance of mandatory teacher retirement contributions.

Section 65 of Public Act 00-187 revises Subsection (b) of section 10-183n of the General Statutes to include the following:

(b) Each local treasurer or other person having custody of amounts deducted under this chapter by an employer shall transmit and report such amounts to the board so that they are received by said board no later the fifth business day of the following month. **On and after July 1, 2001 all such amounts shall be transmitted via electronic transfer of funds.** Such amounts shall at all times be the property of the system and while in the custody of such local treasurer or other person such person is a fiduciary with respect to such amounts and shall discharge his responsibilities solely for the benefit of the system. **Said board shall be entitled to receive from an employer interest at the rate of nine per cent per year from the due date on all amounts deducted by such employer and not received by said board by the fifth day of the following month.** Interest at the rate of nine per cent per year shall be compounded annually on the interest assessed from the date the payment is received to the date the interest is paid. Such interest shall be treated as an amount earned by the assets of the system.

In essence the Retirement Board must receive your September 2001 deposit no later than October 5, 2001 and this deposit must be sent electronically to our depository. The October deposit will be due on or before November 7, 2001 and your November deposit will be due December 7, 2001 etc.

It appears that the easiest way to accomplish this would be to establish TRB as a "direct deposit" payee on your Payroll or Accounts Payable system. Please instruct your bank to use a CCD (Cash Concentration and Disbursement Record) to transfer the funds. Your three-digit **TRB town number** must appear as the ID in the discretionary data field. This discretionary field is 16 characters in length. **Use your town number in the first three spaces and as much of your town name in the remaining 13 spaces.**

The following must also be included to insure that the funds are properly credited to TRB's account, our depository bank information is as follows:

Bank (ABA) Number 011900571

Account Number 0063249347

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This ACH (Automated ClearingHouse) transfer allows you, the originator, to process the file either on a one or two-day cycle. You should verify this with your own financial services provider. Remember it will remain your responsibility to insure that the funds are received by TRB on the due date and not the financial service provider. If you are unable to use ACH to transfer your funds a wire transfer will be acceptable, however the wire transfer is more costly than the ACH transfer.

By implementing this new EFT procedure, we are eliminating the need for employers to send paper checks and are also eliminating the use of TRB Form 8s the Monthly Deposit Summary.

The purpose of this communication is to alert your Payroll/Personnel staff to insure compliance to the law of this major change. This notice should be posted and the information be made available to all staff members who have the responsibility of remitting mandatory teacher retirement contributions.

Your continued cooperation and support in assisting this office to insure deposits are remitted in a timely manner is most appreciated.

Specific questions concerning this memorandum should be directed to the Accounting Manager of the Teachers' Retirement Board at (860) 241-8429.

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